VZCZCXRO3755 PP RUEHDBU DE RUEHNT #0730/01 1041304 ZNY CCCCC ZZH P 141304Z APR 06 FM AMEMBASSY TASHKENT TO RUEHC/SECSTATE WASHDC PRIORITY 5539 INFO RUEHTA/AMEMBASSY ALMATY 7798 RUEHAH/AMEMBASSY ASHGABAT 1889 RUEHEK/AMEMBASSY BISHKEK 2415 RUEHDBU/AMEMBASSY DUSHANBE 2318 RUEHBUL/AMEMBASSY KABUL 1406 RUEHKO/AMEMBASSY TOKYO 0362

C O N F I D E N T I A L SECTION 01 OF 02 TASHKENT 000730

SIPDIS

SIPDIS

DEPT FOR SCA/CEN

E.O. 12958: DECL: 04/13/2016 TAGS: ECON PGOV PREL UZ JP
SUBJECT: GANIEV AND AZIMOV TO VISIT JAPAN

REF: TASHKENT 651

Classified By: CLASSIFIED BY AMB. JON R. PURNELL FOR REASONS 1.4 (B, D)

- 11. (C) Summary: In the next three months, FM Ganiev and Deputy PM Azimov will both travel to Japan. Ganiev will head the Uzbek delegation to the Uzbek-Japan Joint Committee on the Economy in May, and Ganiev will represent Uzbekistan at the May Central Asia Plus Japan Foreign Ministers Meeting in These trips seem to have the Japanese Embassy worried that Japan will be criticized for supporting the GOU. Japanese EconOff Sasatani stressed that the Japanese government will not meet bilaterally with any senior GOU officials, and that Azimov and Ganiev are only visiting Tokyo through private sector or multilateral fora. He also said that the GOU is very interested in a visit by PM Koizumi, but that the Embassy has advised strongly against it. Japan has also concluded a new strategy on assistance to Uzbekistan, but has decided to delay release given the current political climate. Sasatani said that Japan will continue earlier announced large-scale infrastructure projects. However, all new projects will be related to technical assistance that directly impacts the Uzbek people, such as healthcare and education. End summary.
- 12. (C) First Secretary for Economic Affairs at the Japanese Embassy, Yoshifumi Sasatani, told PolEcon Chief the Japanese government has finished a new assistance strategy for Uzbekistan. However, he said, his government does not intend to release the strategy now due to continuing human rights concerns and worries about how Japanese assistance might be viewed, especially by the West. While the Japanese will continue to fund several large infrastructure projects, including renovation of the Tashkent Power Plant and a regional railroad project, they do not intend to announce new grants. The GOJ will fund two new technical assistance programs focused on providing direct benefits to the Uzbek people. One will focus on healthcare and supplying needed medical equipment to Tashkent and Jizzak medical institutions, as well as to the National Anti-Tuberculosis Center in Tashkent. The other will focus on improving schools, mainly through providing materials such as desks and computers. As long as these projects continue to benefit the Uzbeks and contribute to the promotion of intra-regional cooperation, said Sasatani, Japan will provide funding.
- 13. (C) The next Uzbek-Japan Joint Committee on the Economy, a non-governmental organization, will be held in Tokyo on May 118. Deputy Prime Minister Azimov will lead the delegation, which will include other high-ranking officials. Kiyomi Miyagawa, First Secretary for Political Affairs, told Poloff

that the Japanese government does not see the Committee as highly valuable, as the GOU tends to use it as a mechanism to control Japanese businesses operating in Uzbekistan. According to Sasatani, Azimov has asked for a meeting on the margins with PM Koyzumi, but is unlikely to be received. Japanese FM Aso will likely be the highest ranking official Azimov meets. Sasatani also said that the GOU is very interested in a visit by Koizumi to Uzbekistan as soon as possible. (Note: According to Sasatani, Karimov was last in Japan approximately three years ago. During that visit, Koizumi promised to visit Uzbekistan. End note.) Sasatani said that the Japanese Embassy is strongly advising the Japanese PM against such a trip.

- 14. (C) Both Sasatani and Miyagawa confirmed that the Central Asia plus Japan Forum Foreign Ministers' Meeting is scheduled for late June in Tokyo. Sasatani told PolEcon Chief that FM Ganiev will head the delegation. The participating countries, including Afghanistan, will likely sign technical cooperation agreements. Unfortunately, according to Miyagawa, the Forum's projects have not been very successful because Central Asian countries must initiate the projects and regional political and economic differences have hindered cooperation. Miyagawa said Uzbekistan is mostly interested in transportation, terrorism, drugs and energy-related projects. Sasatani said that only through multilateral fora or private sector events, such as Central Asia plus Japan or the Uzbek-Japan Joint Committee, will senior Japanese officials meet with their Uzbek counterparts. Sasatani said the unofficial policy is that senior Uzbek officials will not be invited for bilateral talks.
- $\underline{\mathbf{1}}$ 5. (C) Miyagawa attended an April 3 meeting for OSCE member

TASHKENT 00000730 002 OF 002

states. He told Poloff he was &surprised8 at OSCE Ambassador Jenca's report that Karimov recommended that the OSCE &make concrete contributions to the Uzbek economy,8 as does the Central Asia plus Japan Forum (reftel). Miyagawa said he was &embarrassed8 because the Forum does not make such contributions as there are no large projects.

- 16. (C) As to Japanese investment, Miyagawa said Japanese businesses are &cautious8 and want payment guarantees. Two years ago, he explained, Japanese fertilizer and chemical businesses were here, but were never paid for their goods. Japanese companies are far more interested in Kazakhstan. As Japan reduces the amount of loans to Uzbekistan, Miyagawa believes there will be fewer opportunities for Japanese contractors to work here within the framework of assistance that guarantees payment for services.
- 17. (C) Comment: The Japanese and Uzbek governments have always maintained a cordial, even friendly, relationship. Japan has long been a "friend of Uzbekistan," a claim Karimov has never been hesitant to throw around. Based on Sasatani's statements, the Japanese government is clearly concerned about how the upcoming visits of Azimov and Ganiev might be construed, especially on the heels of the love fest in South Korea. Sasatani went out of his way to communicate that the Japanese government will not invite senior Uzbek officials for bilateral discussions. He is also concerned, and rightfully so, about how the Uzbek press might play up the visits. If recent official travel is a model, it is likely that the GOU and Uzbek media will use them to showcase Uzbekistan's international political and economic interaction, even if the results are lackluster. PURNELL